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September 27, 2006

Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554

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Boston
Hartford
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San Francisco
Silicon Valley
Tokyo
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Washington

Dear Ms Dortch:

Re: WC Docket No. 06-125

Pursuant to Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, this will provide notice that on September 26, 2006, the undersigned and Stephen W. Crawford, General Counsel and Senior Vice President of Mergers & Acquisitions, Alpheus Communications, L.P., met with Heather Hendrickson, William A. Kehoe III and William Dever of the Wireline Competition Bureau. Alpheus presented its views regarding the BOC Petitions for Forbearance in the above cited docket, as set forth in the attached document provided to the Bureau staff.

Alpheus specifically called the Bureau's attention to AT&T's claim raised in its reply comments and corrected the record with respect to AT&T's assertions. In those reply comments, AT&T claimed that competition was thriving in the market and pointed to an Alpheus press release regarding Alpheus ability to provide broadband transmission services in competition with AT&T. However, AT&T failed to fully disclose that while Alpheus has an extensive metro transport network, Alpheus regularly relies on access to last mile facilities from AT&T in order to provide its own broadband transmission services in competition with AT&T. Indeed, services such as OCN and gigabit ethernet services require optical fiber facilities. Of the universe of commercial office buildings in Texas that have access to fiber facilities, Competitive carriers have deployed fiber to only a small percentage of such buildings. Thus, quite often, AT&T is the only source of last mile access for fiber based services, since it controls the vast majority of these bottleneck fiber facilities.

Sincerely,

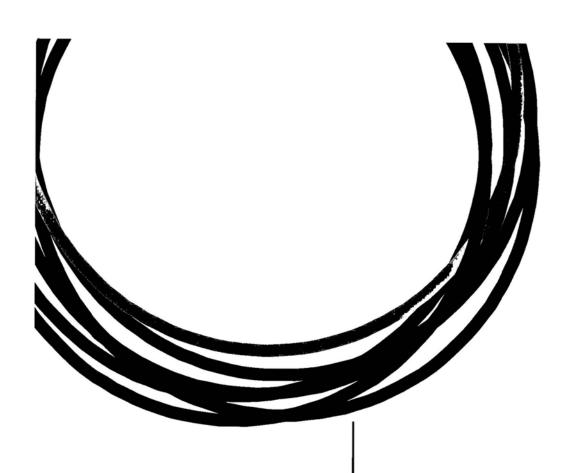
Joshua M. Bobeck Katie B. Besha

Counsel for Alpheus Communications, L.P.

Marlene H. Dortch September 27, 2006 Page 2

cc (letter only): Heather Hendrickson (heather.hendrickson@fcc.gov) William Dever (william.dever@fcc.gov) William A. Kehoe III (william.kehoe@fcc.gov)

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ALPHEUS

Wireline Competition Bureau WC Docket 06-125

September 26, 2006



Alpheus is the competitive telecommunications back bone for Metro Texas.

Our \$340 million Texas network investment connects information, people and ideas over our state-of-the-art broadband backbone that is lightning fast, content neutral, and protocol agnostic.

What we do:

- Bandwidth
- Interconnection
- Metrolocity (virtual meet-me-room)
- Colocation services
- Intrastate long haul

How we do it:

- Protocol agnostic/application independent network for voice, data and video transmission
- Headquartered in Houston with principal operations within 6 major cities in Texas
- One of a kind, deep metro network coverage within our service areas

Our Texas Network

Over 3 Million Fiber Miles

Robust, reliable and cost-effective deep metro network deployed in the six major metropolitan areas of Texas:

Houston	Corpus Christi	Dallas
San Antonio	Austin	Fort Worth

- Cross connected with over 200 carrier facilities.
- Network is proximate to hundreds of enterprise and building connections.
- Hub and spoke architecture/physically diverse fibers.
- Colocated in a majority of the AT&T Central Offices ("COs") within our Texas markets.
- Equipped with next generation DWDM and SONET technology.



Our Texas Network (cont'd)

- Deep metro footprint.
- Deployed a CBD/metro "thick" fiber network to connect to major POPs, carrier hotels and central offices.
- Core network is connected with 100% buried fiber optic cable.



- Wireless carriers who want to tie their network together efficiently.
- Switch-based carriers who need to deliver VoIP and broadband service.
- Over-builders who need to extend their service area.
- Enterprise accounts who want vendor diversity in their networks.
- Public sector entities that want reliable, cost effective bandwidth.
- WiFi/WiMax/CMRS providers (over 1400 nodes).

Network Topology and Equipment **Alpheus Hub** Customer **ILEC** POP CO OC-12-48 ONS 15454 CAC 454 OC-48 OC-12's . The leaders. **Customer POP** CAC OC-48 454 OC-48 OC-12-ONS 15454 ONS 15454 GigaMux OC-12-48 M ILEC Span Meet or ONS CO **Customer POP** OC-48/2.5Gbps 15216 CAC 454 **FDP** GigaMux or ONS 15216 6 **ALPHEUS**



Alpheus Hub Facilities

Best of Class Reliability:

- Highly redundant and disaster ready facility
- Carrier grade design and construction
- Secure caged colocation
- 24/7 monitoring

Locations:

Houston: 1010 Travis

- **Dallas:** 2323 Bryan

Austin: 1905 E. 6th Street

San Antonio: 800 Navarro







Alpheus NOCC

- State of the art Fault Management
- Proactive trouble resolution
- 24/7/365
- Staffed by industry veterans
- Extraordinary customer service
- Main facility in Houston with DR/backup facility in Austin





Any Analysis of Enterprise Broadband Services Must Start with an Analysis of Enterprise Broadband Facilities

- Broadband Services REQUIRE Broadband Facilities
- The BOCs control almost all the enterprise retail and wholesale broadband services because they control almost all the broadband facilities.
- Almost all retail broadband that exists depends on last mile access that is only obtainable from BOCs.
- There is no competitive fiber (i.e., non-BOC-owned fiber) built to most buildings; without competitive fiber to the buildings, there can be no competitive fiber-based services to customers (such as OCn and gigabit ethernet).



DOJ Competitive Analysis of Status Quo Broadband Facilities

 Found that CLECs in the AT&T and Verizon regions have built last mile fiber optic connections to only a "small percentage" of commercial buildings and that AT&T and Verizon are the only carriers that own last mile connections to the "vast majority" of commercial buildings in their respective regions.



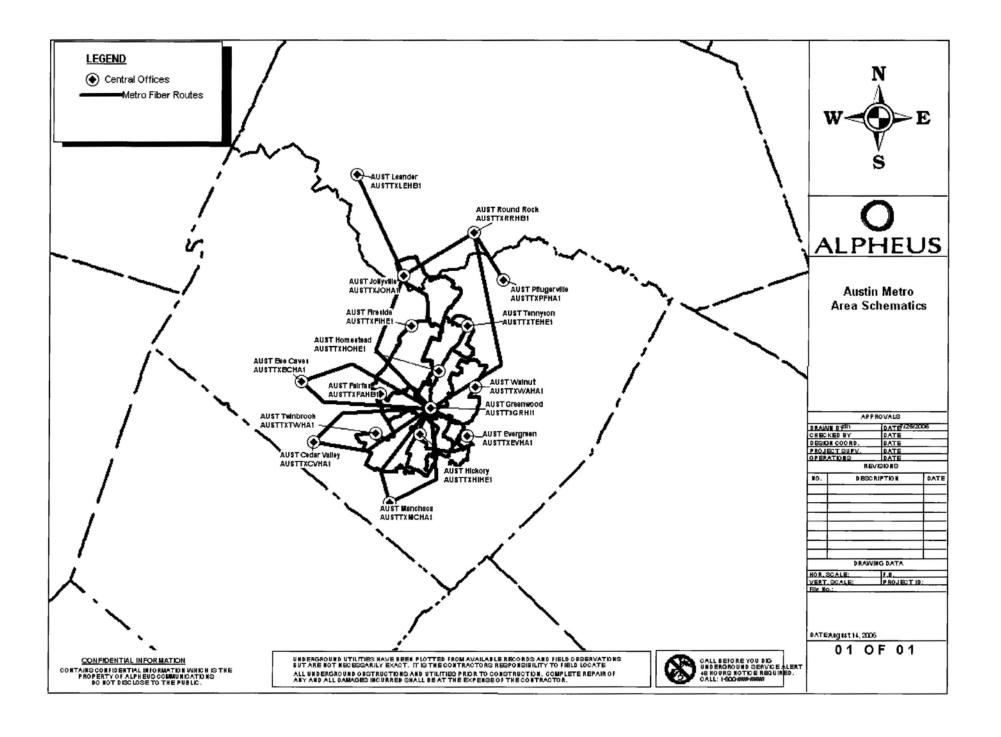
FCC Orders Recognize Current BOC Bottleneck

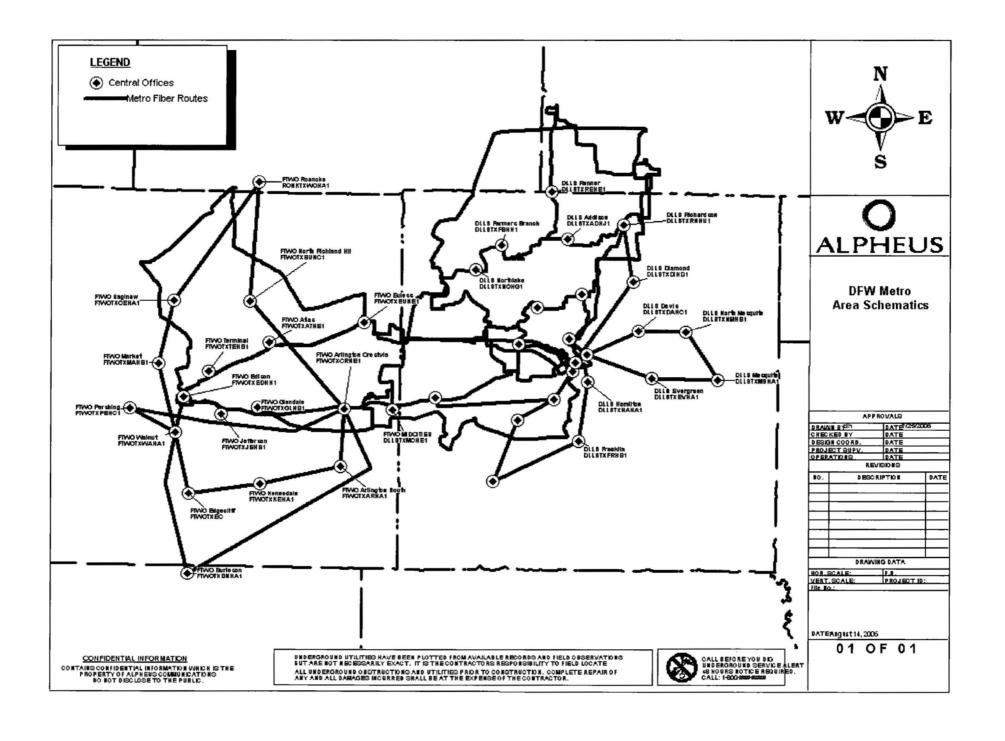
- SBC/AT&T & Verizon/ MCI Merger Order:
 Commission found that "there is little potential for competitive entry" for the provision of local transmission services.
- TRRO: Commission found CLECs "face substantial operational barriers to constructing their own facilities" and competitors still face "steep economic barriers" to the deployment of last mile facilities.

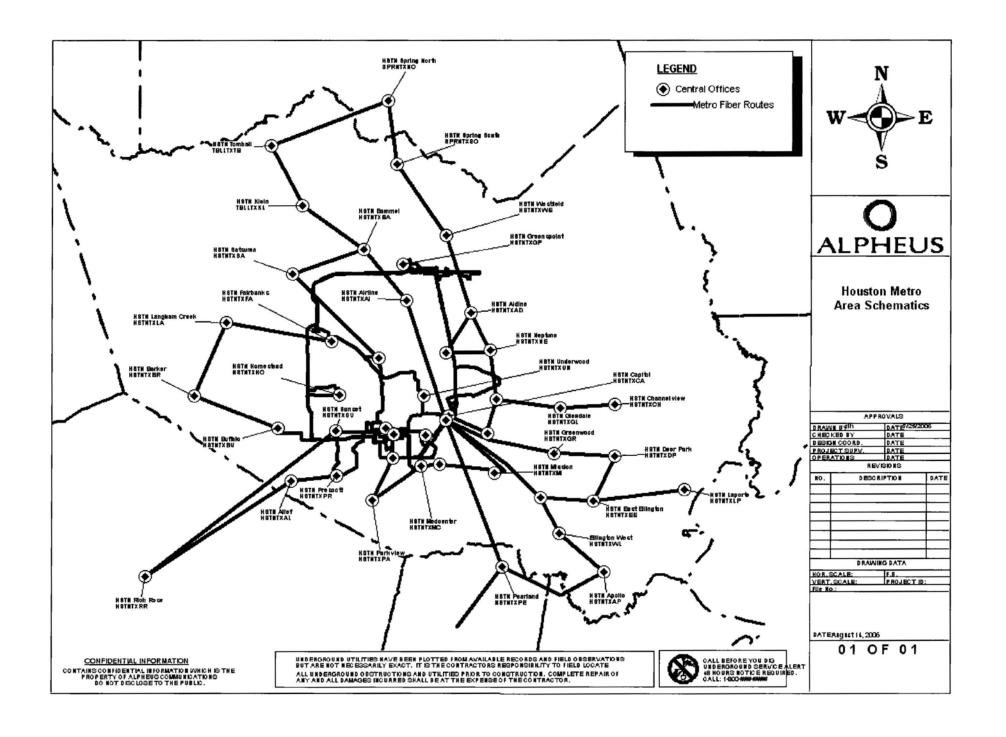


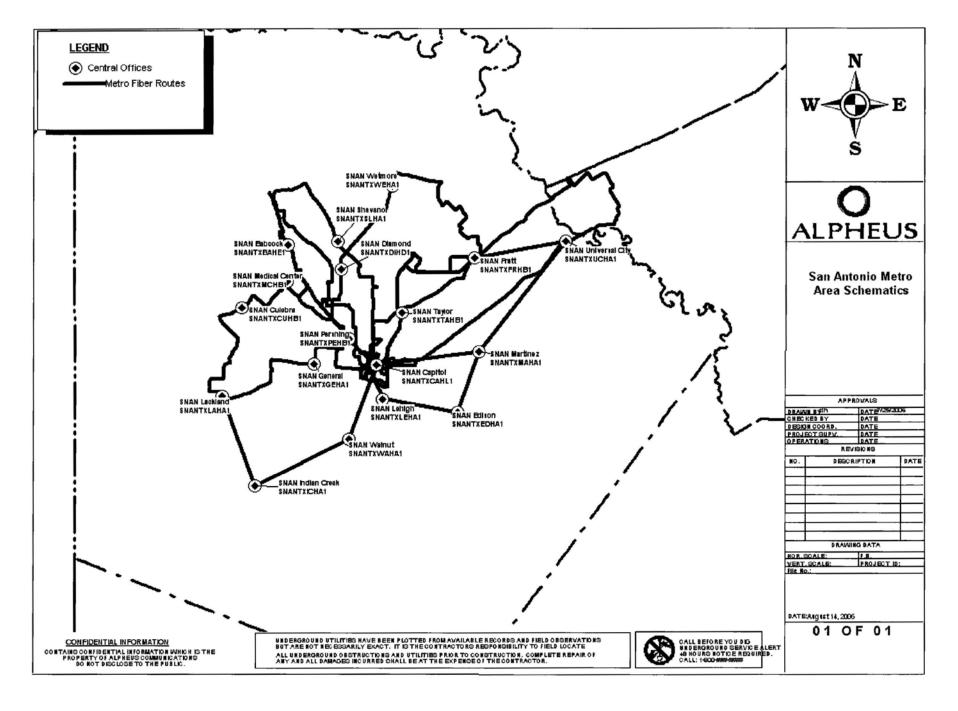
Where Will This New Enterprise Fiber Come From?

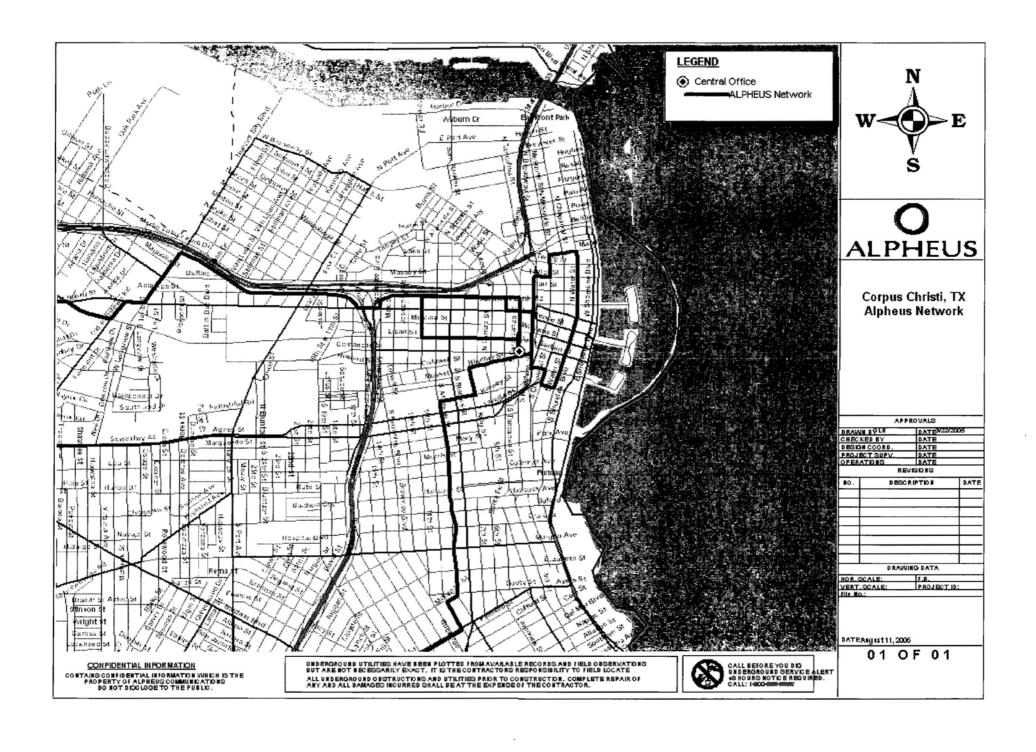
- Record will not support competitive deployment of broadband facilities (as DOJ found)
- Forbearance based on competitive facilities must be based on solid record
- D.C. Circuit requires the predictive judgments have to be reasonable
- No reason to assume large scale deployment of competitive fiber is coming ALPHEUS













Alpheus Texas Long Haul Fiber

Alpheus is able to offer redundant wholesale transport across the core of Texas, including the Rio Grande Valley.

